

BRODSKY & SMITH
Evan J. Smith, Esquire (SBN 242352)
esmith@brodskysmith.com
Ryan P. Cardona, Esquire (SBN 302113)
rcardona@brodskysmith.com
9595 Wilshire Boulevard, Suite 900
Beverly Hills, CA 90212
Phone: (877) 534-2590
Facsimile: (310) 247-0160

Attorneys for Plaintiff

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

ANEUDY MEDINA BAEZ,

Plaintiff,

VS.

VOLT INFORMATION SCIENCES, INC.,
WILLIAM J. GRUBBS, NICK S.
CYPRUS, BRUCE G. GOODMAN,
LINDA PERNEAU, ARNOLD
URSANER, and CELIA R. BROWN

Defendants.

Case No.:

Complaint For:

- (1) Violation of § 14 (e) of the Securities Exchange Act of 1934
 - (2) Violation of § 14 (d) of the Securities Exchange Act of 1934
 - (3) Violation of § 20(a) of the Securities Exchange Act of 1934

JURY TRIAL DEMANDED

Plaintiff, Aneudy Medina Baez (“Plaintiff”), by and through his attorneys, alleges upon information and belief, except for those allegations that pertain to him, which are alleged upon personal knowledge, as follows:

SUMMARY OF THE ACTION

1. Plaintiff brings this stockholder action against Volt Information Sciences, Inc. (“Volt” or the “Company”) and the Company’s Board of Directors (the “Board” or the “Individual Defendants,” collectively with the Company, the “Defendants”), for violations of Sections 14(a) and 20(a) of the Securities and Exchange Act of 1934 (the “Exchange Act”) as a result of Defendants’ efforts to sell the Company to Vega Consulting, Inc. (“Parent”) through merger

1 vehicle Vega MergerCo, Inc. (“Merger Sub”) (collectively with “Parent”, “Vega”) as a result of
2 an unfair process, and to enjoin an upcoming tender offer on a proposed all cash transaction.

3 2. The terms of the Proposed Transaction were memorialized in a March 12, 2022,
4 filing with the Securities and Exchange Commission (“SEC”) on Form 8-K attaching the definitive
5 Agreement and Plan of Merger (the “Merger Agreement”). Under the terms of the Merger
6 Agreement, Vega will acquire all of the remaining outstanding shares of Volt’ common stock at a
7 price of \$6.00 per share in cash. As a result, Volt will become an indirect wholly-owned subsidiary
8 of Vega.

9 3. Thereafter, on March 25, 2022, Volt filed a Solicitation/Recommendation
10 Statement on Schedule 14D-9 (the “Recommendation Statement”) with the SEC in support of the
11 Proposed Transaction.

12 4. The Proposed Transaction is unfair for a number of reasons. Significantly, the
13 Recommendation Statement describes an insufficient process with only one goal in mind – to sell
14 the Company to Vega.

15 5. Next, it appears as though the Board has entered into the Proposed Transaction to
16 procure for itself and senior management of the Company significant and immediate benefits with
17 no thought to Plaintiff as a public stockholder. For instance, pursuant to the terms of the Merger
18 Agreement, upon the consummation of the Proposed Transaction, Company Board Members and
19 executive officers will be able to exchange all Company equity awards for the merger
20 consideration.

21 6. In violation of the Exchange Act, Defendants caused to be filed the materially
22 deficient Recommendation Statement on March 25, 2022, with the SEC in an effort to solicit
23 stockholders, including Plaintiff, to tender their Volt shares in favor of the Proposed Transaction.
24 The Recommendation Statement is materially deficient, deprives Plaintiff of the information
25 necessary to make an intelligent, informed and rational decision of whether to tender in favor of
26 the Proposed Transaction, and is thus in violation of the Exchange Act. As detailed below, the
27 Recommendation Statement omits and/or misrepresents material information concerning, among
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1 other things: (a) the sales process and in particular certain conflicts of interest for management;
2 (b) the financial projections for Volt, provided by Volt to the Company’s financial advisor Foros
3 Securities LLC (“Foros”); and (c) the data and inputs underlying the financial valuation analyses,
4 if any, that purport to support the fairness opinions created by Foros and provided to the Company
5 and the Board.

6 ||| 7. Accordingly, this action seeks to enjoin the Proposed Transaction.

7 8. Absent judicial intervention, the Proposed Transaction will be consummated,
8 resulting in irreparable injury to Plaintiff. This action seeks to enjoin the Proposed Transaction.

PARTIES

10 9. Plaintiff is a citizen of New Mexico and, at all times relevant hereto, has been a
11 Volt stockholder.

12 10. Defendant Volt provides traditional time, materials-based, and project-based
13 staffing services in the United States, Europe, Canada, and the Asia Pacific. Volt is incorporated
14 under the laws of the State of New York and has its principal place of business at 2401 N. Glassell
15 Street, Orange, California 92865. Shares of Volt common stock are traded on the New York Stock
16 Exchange under the symbol “VOLT”.

17 11. Defendant William J. Grubbs (“Grubbs”) has been a Director of the Company at all
18 relevant times. In addition, Grubbs serves as the Chairman of the Board of Directors.

19 12. Defendant Nick S. Cyprus (“Cyprus”) has been a director of the Company at all
20 relevant times.

13. Defendant Bruce G. Goodman (“Goodman”) has been a director of the Company
at all relevant times

23 14. Defendant Linda Perneau (“Perneau”) has been a director of the Company at all
24 relevant times. In addition, Perneau serves as the Company’s Chief Executive Officer (“CEO”),
25 Chairman of the Company Board, and President.

26 15. Defendant Arnold Ursaner (“Ursaner”) has been a director of the Company at all
27 relevant times.

16. Defendant Celia R. Brown (“Brown”) has been a director of the Company at all relevant times.

17. Defendants identified in ¶¶ 11 - 17 are collectively referred to as the "Individual Defendants."

18. Non-Party Vega is a consulting firm that provides consulting services to Fortune 500 and 100 companies as well as government entities.

19. Non-Party Merger Sub is a wholly owned subsidiary of Parent created to effectuate the Proposed Transaction.

JURISDICTION AND VENUE

20. This Court has subject matter jurisdiction pursuant to Section 27 of the Exchange Act (15 U.S.C. § 78aa) and 28 U.S.C. § 1331 (federal question jurisdiction) as Plaintiff alleges violations of Sections 14(a) and 20(a) of the Exchange Act. This action is not a collusive one to confer jurisdiction on a court of the United States, which it would not otherwise have. The Court has supplemental jurisdiction over any claims arising under state law pursuant to 28 U.S.C. § 1337.

21. Personal jurisdiction exists over each defendant either because the defendant conducts business in or maintains operations in this District, or is an individual who is either present in this District for jurisdictional purposes or has sufficient minimum contacts with this District as to render the exercise of jurisdiction over defendant by this Court permissible under traditional notions of fair play and substantial justice.

22. Venue is proper in this District pursuant to 28 U.S.C. § 1391, because Volt maintains its principal offices in this district, and each of the Individual Defendants, as Company officers or directors, has extensive contacts within this District.

SUBSTANTIVE ALLEGATIONS

Company Background

23. Volt provides traditional time, materials-based, and project-based staffing services in the United States, Europe, Canada, and the Asia Pacific. The company operates through North American Staffing, International Staffing, and North American MSP segments. It provides

1 contingent staffing, direct placement, personnel recruitment, staffing management, and other
2 employment services; and managed service programs consisting of managing the procurement,
3 on-boarding of contingent workers, and specialized solutions, such as managing suppliers,
4 sourcing and recruiting support, statement of work management, supplier performance
5 measurement, optimization and analysis, benchmarking of spend demographics and market rate
6 analysis, consolidated customer billing, and supplier payment management solutions. The
7 company also offers call center and payroll services; recruitment process outsourcing; and
8 customized talent and supplier management solutions, as well as act as a subcontractor or associate
9 vendor to other national providers in their MSPs. It serves multinational, national, and local
10 customers in various industries, including aerospace, automotive, banking and finance, consumer
11 electronics, information technology, insurance, life science, manufacturing, media and
12 entertainment, pharmaceutical, software, telecommunication, transportation, and utilities. The
13 company was founded in 1950 and is headquartered in Orange, California.

14 24. The Company's most recent financial performance press release, revealing
15 financial results from the quarter preceding the announcement of the Proposed Transaction,
16 indicated sustained and solid financial performance. For example, in the January 12, 2022 press
17 release announcing its 2021 Q4 financial results, the Company highlighted Revenue was \$227.8
18 million, a 7.9% increase compared to the fourth quarter of fiscal 2020; and GAAP Operating
19 Income was \$2.3 million, a \$13.8 million improvement compared to the prior-year quarter.

20 25. Speaking on these positive results, CEO Defendant Jenks commented on the
21 Company's positive financial results as follows, "Our performance in the fourth quarter and fiscal
22 2021 reflects the successful and continued execution of our strategic initiatives. Achieving year-
23 over-year revenue growth each quarter and for the full year, combined with expanding our gross
24 margin and reducing SG&A expense, we reported meaningful increases in both net income and
25 Adjusted EBITDA."

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1 26. These positive results are not an anomaly, but rather, are indicative of a trend of
2 continued financial success and future potential success by Volt. Clearly, based upon these
3 positive financial results and outlook, the Company is likely to have tremendous future success.

4 27. Despite this upward trajectory and continually increasing financial results, the
5 Individual Defendants have caused Volt to enter into the Proposed Transaction without providing
6 requisite information to Volt stockholders such as Plaintiff.

7 ***The Flawed Sales Process***

8 28. As detailed in the Recommendation Statement, the process deployed by the
9 Individual Defendants was flawed and inadequate, was conducted out of the self-interest of the
10 Individual Defendants and was designed with only one concern in mind – to effectuate a sale of
11 the Company by any means possible.

12 29. Notably, the Recommendation Statement indicates that a so-called “Strategic
13 Alternatives Committee” of the Board, was created and composed of independent directors during
14 a previous sales process occurring from 2017 – 2018, the Recommendation Statement provides no
15 information if this Strategic Alternatives Committee continued to exist and/or played any role
16 whatsoever in the sales process leading to the Proposed Transaction, if a different committee of a
17 similar nature was created during the more recent sales process, or if no such committee was
18 created or involved in the more recent sales process.

19 30. In addition the Recommendation Statement fails to disclose the identity of the
20 directors who sat on the Strategic Alternatives Committee, its powers, or the same information for
21 any other committee created to fill a similar role during the sales process leading to the Proposed
22 Transaction.

23 31. The Recommendation Statement does not provide adequate information regarding
24 the nature of the market check which was done by Foros on behalf of the Company, including
25 whether the outreach involved shopping the Company or strictly was limited to soliciting bids for
26 an equity investment in the Company.

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1 32. In addition, the Recommendation Statement is silent as to the nature of the
 2 confidentiality agreements entered into between the Company and potentially interested third
 3 parties, including Vega, throughout the sales process, if any, and whether these agreements differ
 4 from each other, and if so in what way. The Recommendation Statement also fails to disclose all
 5 specific conditions under which any standstill provision contained in any entered confidentiality
 6 agreement entered into between the Company and any potentially interested third parties, including
 7 Vega, throughout the sales process, if any, would fall away.

8 33. It is not surprising, given this background to the overall sales process, that it was
 9 conducted in a completely inappropriate and misleading manner.

10 ***The Proposed Transaction***

11 34. On March 14, 2022, Volt and Vega issued a joint press release announcing the
 12 Proposed Transaction. The press release stated, in relevant part:

13 **ORANGE, Calif. & ATLANTA--(BUSINESS WIRE)--** Volt Information
 14 Sciences, Inc. (“Volt” or the “Company”) (NYSE-AMERICAN: VOLT), a global
 15 provider of staffing services, and Vega Consulting, Inc. (“Vega”), an affiliate of
 16 ACS Solutions (“ACS Solutions”), a global provider of information technology
 17 solutions and services (www.acsicorp.com), announced today that Volt and Vega
 have entered into a definitive merger agreement under which Volt will be acquired
 for \$6.00 per share in cash. This per share purchase price represents a premium of
 99% to the Company’s closing stock price on March 11, 2022.

18 Vega will commence a tender offer no later than March 25, 2022 to acquire all
 19 outstanding shares of Volt for \$6.00 per share in cash. The merger agreement was
 20 approved by Volt’s board of directors, which recommends that Volt stockholders
 tender their shares in the offer.

21 Raj Sardana, Chief Executive Officer of ACS Solutions, commented, “We’re
 22 pleased to announce the plan to acquire Volt, and look forward to welcoming their
 23 talented teams to our family of companies. This transaction will diversify our
 24 business mix by adding a sizable commercial staffing and MSP business to our
 staffing services portfolio, further expanding our suite of services and offerings.”

25 Volt’s President and Chief Executive Officer, Linda Perneau, added, “This
 26 acquisition offers Volt a compelling opportunity for continued growth. With ACS
 27 Solutions as our sister company, we will be in a position to accelerate investments
 28 in technology, enhance our capabilities, expand our operations, and ultimately
 deliver better value to our clients -- all complementing the superior client service
 that has come to be synonymous with the Volt brand.”

In connection with the execution of the merger agreement, certain of Volt's stockholders, directors and executive officers holding approximately 26% in the aggregate of the Company's outstanding shares entered into agreements in which they agreed to tender all of their shares in the tender offer.

The closing of the transaction is subject to customary closing conditions, including the expiration or termination of certain regulatory periods and the tender of shares representing at least two-thirds of the Company's outstanding common stock in the tender offer. Following the successful completion of the tender offer, Vega will acquire any remaining shares not tendered in the tender offer through a second-step merger at the same price.

The merger agreement provides for a "go-shop" period during which Volt – with the assistance of Foros, its exclusive financial advisor – will actively solicit, evaluate and potentially enter into negotiations with, and provide due diligence access to, parties that submit alternative proposals. The go-shop period will extend for 30 calendar days until April 11, 2022. Volt will have the right to terminate the merger agreement to enter into a superior proposal, subject to the conditions and procedures specified in the merger agreement. There can be no assurance that this process will result in a superior proposal. Volt does not intend to disclose developments during this process unless its Board of Directors makes a decision with respect to any potential superior proposal.

The transaction is expected to close in the second calendar quarter of 2022. After closing, Volt will become a privately-held company and shares of Volt common stock will no longer be listed on any public market. For further information regarding the terms and conditions contained in the merger agreement, please see Volt's Current Report on Form 8-K, which will be filed with the U.S. Securities and Exchange Commission (the "SEC") in connection with this transaction.\

Potential Conflicts of Interest

35. The breakdown of the benefits of the deal indicates that Volt insiders are the primary beneficiaries of the Proposed Transaction, not the Company's public stockholders such as Plaintiff. The Board and the Company's executive officers are conflicted because they will have secured unique benefits for themselves from the Proposed Transaction not available to Plaintiff as a public stockholder of Volt.

36. Notably, Company insiders, currently own large, illiquid portions of Company stock that will be exchanged for the merger consideration upon the consummation of the Proposed Transaction as follows:

| Name of Executive Officer or Director | Number of Shares | Cash Consideration for Shares (\$) |
|---------------------------------------|------------------|------------------------------------|
| <i>Directors</i> | | |
| William J. Grubbs | 204,576 | 1,227,456 |
| Celia R. Brown | 86,316 | 517,896 |
| Nick S. Cyprus | 72,958 | 437,748 |
| Bruce G. Goodman* | 2,007,000 | 12,042,000 |
| Arnold Ursaner | 109,926 | 659,556 |
| <i>Executive Officers</i> | | |
| Linda Perneau | 402,365 | 2,414,190 |
| Herbert M. Mueller** | 140,424 | 842,544 |
| Nancy T. Avedissian | 110,357 | 662,142 |
| Paul Tomkins | 45,377 | 272,262 |
| Craig Lewis | — | — |
| Lori Schultz | 53,921 | 323,526 |
| Leonard Naujokas | 27,294 | 163,764 |

37. Moreover, upon the consummation of the Proposed Transaction, the Recommendation Statement indicates that each outstanding Company stock option, restricted share, or other equity award will be canceled and converted into the right to receive certain consideration according to the merger agreement as follows:

| Name of Executive Officer or Director | Number of Shares Subject to Vested Company Stock Options | Cash Consideration for Vested Company Stock Options (\$) | Number of Shares Subject to Unvested Company Stock Options | Cash Consideration for Unvested Company Stock Options (\$) | Total Cash Consideration for Company Stock Options in the Merger (\$) |
|---------------------------------------|--|--|--|--|---|
| <i>Directors</i> | | | | | |
| William J. Grubbs | — | — | — | — | — |
| Celia R. Brown | — | — | — | — | — |
| Nick S. Cyprus | — | — | — | — | — |
| Bruce G. Goodman | — | — | — | — | — |
| Arnold Ursaner | — | — | — | — | — |
| <i>Executive Officers</i> | | | | | |
| Linda Perneau | 133,181 | 253,044 | — | — | 253,044 |
| Herbert M. Mueller | — | — | — | — | — |
| Nancy T. Avedissian | 59,725 | 98,546 | — | — | 98,546 |
| Paul Tomkins | — | — | — | — | — |
| Craig Lewis | — | — | — | — | — |
| Lori Schultz | — | — | — | — | — |
| Leonard Naujokas | — | — | — | — | — |

| Name of Executive Officer or Director | Number of Shares Subject to Company RSUs | Cash Consideration for Company RSUs (\$) |
|---------------------------------------|--|--|
| <i>Directors</i> | | |
| William J. Grubbs | 21,480 | 128,880 |
| Celia R. Brown | 21,480 | 128,880 |
| Nick S. Cyprus | 51,056 | 306,336 |
| Bruce G. Goodman | 21,480 | 128,880 |

| | | | |
|---|---------------------------|---------|-----------|
| 1 | Arnold Ursaner | 51,056 | 306,336 |
| 2 | <i>Executive Officers</i> | | |
| 3 | Linda Perneau | 501,085 | 3,006,510 |
| 4 | Herbert M. Mueller | 154,737 | 928,422 |
| 5 | Nancy T. Avedissian | 106,918 | 641,508 |
| 6 | Paul Tomkins | — | — |
| 7 | Craig Lewis | 31,646 | 189,876 |
| 8 | Lori Schultz | 64,071 | 384,426 |
| 9 | Leonard Naujokas | 36,597 | 219,582 |

| Name of Executive Officer or Director | Number of Shares Subject to Performance-Vested Company PSUs | Cash Consideration for Performance-Vested Company PSUs (\$) |
|---------------------------------------|---|---|
| <i>Directors</i> | | |
| William J. Grubbs | — | — |
| Celia R. Brown | — | — |
| Nick S. Cyprus | — | — |
| Bruce G. Goodman | — | — |
| Arnold Ursaner | — | — |
| <i>Executive Officers</i> | | |
| Linda Perneau | 279,652 | 1,677,912 |
| Herbert M. Mueller | 89,306 | 535,836 |
| Nancy T. Avedissian | 51,808 | 310,848 |
| Paul Tomkins | — | — |
| Craig Lewis | — | — |
| Lori Schultz | 30,079 | 180,474 |
| Leonard Naujokas | 20,136 | 120,816 |

38. In addition, certain employment agreements with certain Volt executives, entitle such executives to severance packages should their employment be terminated under certain circumstances. These ‘golden parachute’ packages are significant and will grant each director or officer entitled to them millions of dollars, compensation not shared by Plaintiff as follow:

| Name | Cash (\$)(1) | Equity (\$)(2) | Other (\$) | Total (\$) |
|---------------------|--------------|----------------|------------|------------|
| Linda Perneau | 2,688,276 | 4,937,466 | — | 7,625,742 |
| Herbert M. Mueller | 1,388,583 | 1,464,258 | — | 2,852,841 |
| Nancy T. Avedissian | 743,018 | 1,050,902 | — | 1,793,920 |

39. The Recommendation Statement also fails to adequately disclose communications regarding post-transaction employment during the negotiation of the underlying transaction must be disclosed to stockholders. Communications regarding post-transaction employment during the negotiation of the underlying transaction must be disclosed to stockholders. This information is necessary for Plaintiff to understand potential conflicts of interest of management and the Board,

1 as that information provides illumination concerning motivations that would prevent fiduciaries
2 from acting solely in the best interests of the Company's stockholders.

3 40. Thus, while the Proposed Transaction is not in the best interests of Volt, Plaintiff
4 or Company stockholders, it will produce lucrative benefits for the Company's officers and
5 directors.

6 ***The Materially Misleading and/or Incomplete Recommendation Statement***

7 41. On March 25, 2022, the Volt Board caused to be filed with the SEC a materially
8 misleading and incomplete Recommendation Statement, that in violation the Exchange Act, failed
9 to provide Plaintiff in his capacity as a Company stockholder with material information and/or
10 provides materially misleading information critical to the total mix of information available to
11 Plaintiff concerning the financial and procedural fairness of the Proposed Transaction.

12 *Omissions and/or Material Misrepresentations Concerning the Sales Process leading up*
13 *to the Proposed Transaction*

14 42. Specifically, the Recommendation Statement fails to disclose material information
15 concerning the process conducted by the Company and the events leading up to the Proposed
16 Transaction. In particular, the Recommendation Statement fails to disclose:

17 a. Whether the Strategic Alternatives Committee formed in the 2017-2018
18 marketing process continued to operate and was involved in the sales process
19 leading up to the Proposed Transaction, and

20 i. if so:

21 1. The specific identity of the Board member who sat on that
22 committee; and

23 2. The specific powers of that Committee;

24 ii. If not:

25 1. Whether a committee of independent board members was
26 created to run the sales process and if not the specific reasons for
27 failing to create such a committee;

- 1 b. Adequate information regarding the market outreach performed by Foros
2 regarding if Foros was soliciting interest based on an equity investment only or
3 if potentially interested third parties were made aware of the Company's
4 willingness to enter into a sale;
- 5 c. Whether the terms of any confidentiality agreements entered during the sales
6 process between Volt on the one hand, and any other third party (including
7 Vega), if any, on the other hand, differed from one another, and if so, in what
8 way;
- 9 d. All specific conditions under which any standstill provision contained in any
10 entered confidentiality agreement entered into between the Company and
11 potentially interested third parties (including Vega) throughout the sales
12 process, if any, would fall away; and
- 13 e. The Recommendation Statement also fails to adequately disclose
14 communications regarding post-transaction employment during the negotiation
15 of the underlying transaction must be disclosed to stockholders.
16 Communications regarding post-transaction employment during the
17 negotiation of the underlying transaction must be disclosed to stockholders.
18 This information is necessary for stockholders to understand potential conflicts
19 of interest of management and the Board, as that information provides
20 illumination concerning motivations that would prevent fiduciaries from acting
21 solely in the best interests of the Company's stockholders

22 *Omissions and/or Material Misrepresentations Concerning Volt's Financial Projections*

23 43. The Recommendation Statement fails to provide material information concerning
24 financial projections for Volt provided by Volt management and relied upon by Foros in its
25 analyses. The Recommendation Statement discloses management-prepared financial projections
26 for the Company which are materially misleading.

27 44. Notably, in connection with its fairness opinion rendered to the Company Board

1 regarding the Proposed Transaction, Foros notes that it reviewed, “reviewed certain information,
2 including the Company Forecasts and other financial and operating data concerning the Company,
3 prepared by the management of the Company.”

4 45. The Recommendation Statement, therefore, should have, but fails to provide,
5 certain information in the projections that Volt management provided to the Board and Foros.
6 Courts have uniformly stated that “projections … are probably among the most highly-prized
7 disclosures by investors. Investors can come up with their own estimates of discount rates or []
8 market multiples. What they cannot hope to do is replicate management’s inside view of the
9 company’s prospects.” *In re Netsmart Techs., Inc. S’holders Litig.*, 924 A.2d 171, 201-203 (Del.
10 Ch. 2007).

11 46. With regard to *Company Forecast* projections for Volt prepared by Volt
12 management, the Recommendation Statement fails to disclose material line items for the following
13 metrics:

- 14 a. Adjusted EBITDA, including all underlying necessary inputs and assumptions,
15 including specifically: earnings or loss before interest, income taxes,
16 depreciation and amortization, and the specific adjustments made to exclude
17 share-based compensation expense, and special items including impairments,
18 restructuring and severance;
- 19 b. Unlevered Free Cash Flows, including all underlying necessary inputs and
20 assumptions, including specifically: share-based compensation, restructuring
21 costs, taxes, increases in working capital and capital expenditures.

22 47. The Recommendation Statement also fails to disclose a reconciliation of all non-
23 GAAP to GAAP metrics utilized in the projections.

24 48. This information is necessary to provide Plaintiff in his capacity as a Company
25 stockholder a complete and accurate picture of the sales process and its fairness. Without this
26 information, Plaintiff is not fully informed as to Defendants’ actions, including those that may
27 have been taken in bad faith, and cannot fairly assess the process.

1 49. Without accurate projection data presented in the Recommendation Statement,
 2 Plaintiff is unable to properly evaluate the Company's true worth, the accuracy of Foros's financial
 3 analyses, or make an informed decision whether to tender his shares in favor of the Proposed
 4 Transaction. As such, the Board is in violation of the Exchange Act by failing to include such
 5 information in the Recommendation Statement.

6 *Omissions and/or Material Misrepresentations Concerning the Financial Analyses by*
 7 *Foros*

8 50. In the Recommendation Statement, Foros describes its fairness opinion and the
 9 various valuation analyses performed to render such opinion. However, the descriptions fail to
 10 include necessary underlying data, support for conclusions, or the existence of, or basis for,
 11 underlying assumptions. Without this information, one cannot replicate the analyses, confirm the
 12 valuations or evaluate the fairness opinions.

13 51. With respect to the *Discounted Cash Flow Analysis*, the Recommendation
 14 Statement fails to disclose the following:

- 15 a. The terminal value for the Company calculated;
- 16 b. The specific inputs and assumptions used to determine the utilized perpetual
 growth rates of 0.0%, 1.0% and 2.0%;
- 17 c. The specific inputs and assumptions used to determine the utilized discount rate
 of 13.5%;
- 18 d. The company's weighted average cost of capital utilized; and
- 19 e. The specific "considerations that Foros deemed relevant in its professional
 judgment and experience".

20 52. With respect to the *Precedent Transactions Analysis*, the Recommendation
 21 Statement fails to disclose the following:

- 22 a. Specific reasoning as to why only one precedent transaction was analyzed;
- 23 b. The specific metrics for the precedent transaction analyzed;
- 24 c. The date on which the analyzed precedent transaction closed;

- 1 d. The value of the analyzed precedent transaction; and
- 2 e. The specific inputs and assumptions used to determine the TEV-to-EBITDA
- 3 multiple of 7.9x.

4 53. With respect to the *Selected Public Companies Analysis*, the Recommendation
5 Statement fails to disclose the following:

- 6 a. The metrics for each selected public company analyzed;
- 7 b. The specific inputs and assumptions used to determine the utilized reference
- 8 range of TEV / FY 2021A EBITDA of 6.0x to 7.5x; and
- 9 c. The specific inputs and assumptions used to determine the utilized reference
- 10 range of TEV / FY 2022E EBITDA of 5.0x to 6.5x.

11 54. These disclosures are critical for Plaintiff to be able to make an informed decision
12 on whether to tender his shares in favor of the Proposed Transaction.

13 55. Without the omitted information identified above, Plaintiff is missing critical
14 information necessary to evaluate whether the proposed consideration truly maximizes his value
15 and serves his interest as a stockholder. Moreover, without the key financial information and
16 related disclosures, Plaintiff cannot gauge the reliability of the fairness opinion and the Board's
17 determination that the Proposed Transaction is in his best interests as a public Volt stockholder.
18 As such, the Board has violated the Exchange Act by failing to include such information in the
19 Recommendation Statement.

21 **FIRST COUNT**

22 **Violations of Section 14(e) of the Exchange Act**

23 **(Against All Defendants)**

24 56. Plaintiff repeats all previous allegations as if set forth in full herein.

1 57. Defendants have disseminated the Recommendation Statement with the intention
2 of soliciting stockholders, including Plaintiff, to tender their shares in favor of the Proposed
3 Transaction.

4 58. Section 14(e) of the Exchange Act provides that in the solicitation of shares in a
5 tender offer, “[i]t shall be unlawful for any person to make any untrue statement of a material fact
6 or omit to state any material fact necessary in order to make the statements made, in the light of
7 the circumstances under which they are made, not misleading[.]”

9 59. The Recommendation Statement was prepared in violation of Section 14(e) because
10 it is materially misleading in numerous respects and omits material facts, including those set forth
11 above. Moreover, in the exercise of reasonable care, Defendants knew or should have known that
12 the Recommendation Statement is materially misleading and omits material facts that are
13 necessary to render them non-misleading.

15 60. The Individual Defendants had actual knowledge or should have known of the
16 misrepresentations and omissions of material facts set forth herein.

17 61. The Individual Defendants were at least negligent in filing a Recommendation
18 Statement that was materially misleading and/or omitted material facts necessary to make the
19 Recommendation Statement not misleading.

20 62. The misrepresentations and omissions in the Recommendation Statement are
21 material to Plaintiff, and Plaintiff will be deprived of his entitlement to decide whether to tender
22 its shares on the basis of complete information if such misrepresentations and omissions are not
23 corrected prior to the expiration of the tender offer period regarding the Proposed Transaction.

25 63. Plaintiff has no adequate remedy at law.

SECOND COUNT

**Violations of Section 14(d)(4) of the Exchange Act and SEC Rule 14d-9
(Against all Individual Defendants)**

64. Plaintiff repeats and realleges all previous allegations as if set forth in full herein.

65. Defendants have disseminated the Recommendation Statement with the intention of soliciting stockholders, including Plaintiff, to tender their shares in favor of the Proposed Transaction.

66. Section 14(d)(4) requires Defendants to make full and complete disclosure in connection with a tender offer.

67. SEC Rule 14d-9 requires a Company's directors to, furnish such additional information, if any, as may be necessary to make the required statements, in light of the circumstances under which they are made, not materially misleading

68. Here, the Recommendation Statement violates both Section 14(d)(4) and SEC Rule 14d-9 because it is materially misleading in numerous respects, omits material facts, including those set forth above and Defendants knowingly or recklessly omitted the material facts from the Recommendation Statement.

69. The misrepresentations and omissions in the Recommendation Statement are material to Plaintiff, and Plaintiff will be deprived of his entitlement to decide whether to tender his shares on the basis of complete information if such misrepresentations and omissions are not corrected prior to the expiration of the tender offer period regarding the Proposed Transaction.

70. Plaintiff has no adequate remedy at law.

THIRD COUNT

Violations of Section 20(a) of the Exchange Act

(Against all Individual Defendants)

71. Plaintiff repeats all previous allegations as if set forth in full herein.

5 72. The Individual Defendants were privy to non-public information concerning the
6 Company and its business and operations via access to internal corporate documents, conversations
7 and connections with other corporate officers and employees, attendance at management and
8 Board meetings and committees thereof and via reports and other information provided to them in
9 connection therewith. Because of their possession of such information, the Individual Defendants
10 knew or should have known that the Recommendation Statement was materially misleading to
11 Plaintiff in his capacity as a Company stockholder.

12 73. The Individual Defendants were involved in drafting, producing, reviewing and/or
13 disseminating the materially false and misleading statements complained of herein. The Individual
14 Defendants were aware or should have been aware that materially false and misleading statements
15 were being issued by the Company in the Recommendation Statement and nevertheless approved,
16 ratified and/or failed to correct those statements, in violation of federal securities laws. The
17 Individual Defendants were able to, and did, control the contents of the Recommendation
18 Statement. The Individual Defendants were provided with copies of, reviewed and approved,
19 and/or signed the Recommendation Statement before its issuance and had the ability or opportunity
20 to prevent its issuance or to cause it to be corrected.

21 74. The Individual Defendants also were able to, and did, directly or indirectly, control
22 the conduct of Volt, Inc.'s business, the information contained in its filings with the SEC, and its
23 public statements. Because of their positions and access to material non-public information
24 available to them but not the public, the Individual Defendants knew or should have known that
25 the misrepresentations specified herein had not been properly disclosed to and were being
26 concealed from Plaintiff and Company, and that the Recommendation Statement was misleading.

1 As a result, the Individual Defendants are responsible for the accuracy of the Recommendation
2 Statement and are therefore responsible and liable for the misrepresentations contained herein.

3 75. The Individual Defendants acted as controlling persons of Volt, Inc. within the
4 meaning of Section 20(a) of the Exchange Act. By reason of their position with the Company, the
5 Individual Defendants had the power and authority to cause Volt, Inc. to engage in the wrongful
6 conduct complained of herein. The Individual Defendants controlled Volt, Inc. and all of its
7 employees. As alleged above, Volt, Inc. is a primary violator of Section 14 of the Exchange Act
8 and SEC Rule 14a-9. By reason of their conduct, the Individual Defendants are liable pursuant to
9 section 20(a) of the Exchange Act.

10 WHEREFORE, Plaintiff demands injunctive relief, in his favor and against the Defendants,
11 as follows:

- 12 A. Enjoining the Proposed Transaction;
- 13 B. In the event Defendants consummate the Proposed Transaction, rescinding it and
14 setting it aside or awarding rescissory damages to Plaintiff;
- 15 C. Directing the Individual Defendants to exercise their fiduciary duties to disseminate
16 a Recommendation Statement that does not contain any untrue statements of material fact
17 and that states all material facts required in it or necessary to make the statements contained
18 therein not misleading;
- 19 D. Awarding Plaintiff the costs of this action, including reasonable allowance for
20 Plaintiff's attorneys' and experts' fees; and
- 21 E. Granting such other and further relief as this Court may deem just and proper.

DEMAND FOR JURY TRIAL

Plaintiff hereby demands a jury on all issues which can be heard by a jury.

Dated: April 6, 2022

BRODSKY & SMITH

By:

Evan J. Smith, Esquire (SBN 242352)
esmith@brodskysmith.com
Ryan P. Cardona, Esquire (SBN 302113)
rcardona@brodskysmith.com
9595 Wilshire Blvd., Ste. 900
Phone: (877) 534-2590
Facsimile (310) 247-0160

Attorneys for Plaintiff